**Personal Finance 30  
Unit 1 (Decision Making) & 2 (Economics) Review**

1. Difference between Need and Want
2. Explain the role of Needs and Wants in economics/personal finance.
3. 6 steps of the decision making process
   1. Apply the 6 steps of the decision making process to a scenario
4. SMART goals – Know what each letter stands for and how to make a vague goal into a smart goal.
5. Explain the Law of Demand. Draw a standard Demand Graph.
6. Explain the Law of Supply. Draw a standard Supply Graph.
7. Explain the concept of Market Equilibrium, be sure to explain where Equilibrium occurs. Draw a graph showing market Equilibrium.
8. List and describe 2 factors that increase or decrease supply
9. List and describe 2 factors that increase or decrease demand.
10. Economies – is it Traditional, Command, Market, or Mixed
11. Elasticity of demand calculations, I will give you the formula
12. Goals – provide long term, short term, and immediate parts
13. Opportunity Cost: what is it? Calculation example.
14. Terms to know

Goods Total Cost Demand Services  
Scarcity Supply Producers Shortage  
Consumers Surplus